

109TH CONGRESS
2D SESSION

S. 2433

To amend title 38, United States Code, to establish an Assistant Secretary for Rural Veterans in the Department of Veterans Affairs, to improve the care provided to veterans living in rural areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 16 (legislative day, MARCH 15), 2006

Mr. SALAZAR (for himself, Mr. THUNE, Mr. AKAKA, Mr. DORGAN, Mr. PRYOR, Mr. JOHNSON, Mr. BURNS, Ms. MURKOWSKI, Mr. THOMAS, Mr. BAUCUS, Mr. CONRAD, Mrs. MURRAY, Mrs. LINCOLN, and Mr. BURR) introduced the following bill; which was read twice and referred to the Committee on Veterans' Affairs

A BILL

To amend title 38, United States Code, to establish an Assistant Secretary for Rural Veterans in the Department of Veterans Affairs, to improve the care provided to veterans living in rural areas, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Veterans Care
5 Act of 2006”.

1 **SEC. 2. ASSISTANT SECRETARY FOR RURAL VETERANS.**

2 Section 308 of title 38, United States Code, is
3 amended—

4 (1) in subsection (a)—

5 (A) by inserting “(1)” before “There”;

6 (B) by striking “six” and inserting
7 “seven”; and

8 (C) by striking “Each” and inserting the
9 following:

10 “(2) Each”;

11 (2) by redesignating subsection (c) as para-
12 graph (3) and inserting such paragraph at the end
13 of subsection (a);

14 (3) by inserting after subsection (b) the fol-
15 lowing new subsection:

16 “(c)(1) One of the Assistant Secretaries appointed
17 under subsection (a) shall be the Assistant Secretary for
18 Rural Veterans, who, under the direction of the Secretary,
19 shall formulate and implement all policies and procedures
20 of the Department that affect veterans living in rural
21 areas.

22 “(2) The Assistant Secretary for Rural Veterans,
23 under the direction of the Secretary, shall perform the fol-
24 lowing functions:

25 “(A) Except as otherwise expressly provided in
26 this title, carry out the provisions of this title and

1 administer all Department programs for providing
2 care to veterans living in rural areas who are eligible
3 for services authorized under this title.

4 “(B) Oversee and coordinate personnel and
5 policies of the Veterans Health Administration, the
6 Veterans Benefits Administration, the National
7 Cemetery Administration, and their respective sub-
8 agencies, including Veterans Integrated Service Net-
9 works, to carry out Department programs to the ex-
10 tent such programs affect veterans living in rural
11 areas.

12 “(C) Oversee, coordinate, promote, and dissemi-
13 nate research into issues affecting veterans living in
14 rural areas in cooperation with the medical, rehabili-
15 tation, health services, and cooperative studies re-
16 search programs, the Office of Policy and the Office
17 of Research and Development of the Veterans
18 Health Administration, and the centers established
19 in section 7329.

20 “(D) Ensure maximum effectiveness and effi-
21 ciency in providing services and assistance to eligible
22 veterans under the programs described in subpara-
23 graph (A), after consultation with appropriate rep-
24 resentatives of the Centers for Medicare and Med-
25 icaid Services, the Indian Health Service, and the

1 Office of Rural Health Policy of the Department of
2 Health and Human Services, the Social Security Ad-
3 ministration, the Department of Labor, the Depart-
4 ment of Agriculture (acting through the Under Sec-
5 retary for Rural Development), and other Federal,
6 State, and local government agencies.

7 “(E) Work with all personnel and resources of
8 the Department to develop, refine, and promulgate
9 policies, best practices, lessons learned, and innova-
10 tive and successful programs to improve care and
11 services for rural veterans.

12 “(F) Perform such other functions and duties
13 as the Secretary considers appropriate.

14 “(3) The Secretary shall ensure that the Assistant
15 Secretary for Rural Veterans has the budget, authority,
16 and control necessary for the development, approval, im-
17 plementation, integration, and oversight of policies, proce-
18 dures, processes, activities, and systems of the Depart-
19 ment relating to the care of rural veterans. The Secretary
20 shall identify a Rural Veterans Coordinator in each Vet-
21 erans Integrated Service Network, who shall report to the
22 Assistant Secretary for Rural Veterans and coordinate the
23 functions authorized under this subsection within such
24 network.

1 “(4) The Assistant Secretary for Rural Veterans,
 2 under the direction of the Secretary, shall supervise the
 3 employees of the Department who are responsible for im-
 4 plementing the policies and procedures described in para-
 5 graph (1).”; and

6 (4) in subsection (d)—

7 (A) in paragraph (1)—

8 (i) by striking “18” and inserting
 9 “19”; and

10 (ii) by adding at the end the fol-
 11 lowing: “One of the Deputy Assistant Sec-
 12 retaries appointed under this paragraph
 13 shall be the Deputy Assistant Secretary for
 14 Rural Veterans, who shall perform such
 15 functions as the Assistant Secretary for
 16 Rural Veterans prescribes.”;

17 (B) in paragraph (2), by inserting “or, in
 18 the case of the Deputy Assistant Secretary for
 19 Rural Veterans, comparable service in a man-
 20 agement position in the Armed Forces” after
 21 “Secretary”.

22 **SEC. 3. RESPONSIBILITIES OF ASSISTANT SECRETARY FOR**
 23 **RURAL VETERANS.**

24 (a) DEMONSTRATION PROJECTS.—

1 (1) IN GENERAL.—The Assistant Secretary for
2 Rural Veterans, appointed under section 308 of title
3 38, United States Code, shall carry out demonstra-
4 tion projects to examine alternatives for expanding
5 care in rural areas, including—

6 (A) establishing a partnership between the
7 Department of Veterans Affairs and the Cen-
8 ters for Medicare and Medicaid Services of the
9 Department of Health and Human Services to
10 coordinate care for rural veterans conducted at
11 critical access hospitals (as designated or cer-
12 tified under section 1820 of the Social Security
13 Act (42 U.S.C. 1395i–4));

14 (B) establishing a partnership between the
15 Department of Veterans Affairs and the De-
16 partment of Health and Human Services to co-
17 ordinate care for rural veterans conducted at
18 community health centers;

19 (C) expanding the use of fee basis care
20 through which private hospitals, health care fa-
21 cilities, and other third-party providers are re-
22 imbursed for providing care closer to the homes
23 of veterans living in rural areas, as authorized
24 under section 7405(a)(2); and

1 (D) expanding coordination between the
2 Department of Veterans Affairs and the Indian
3 Health Service to expand care for Native Amer-
4 ican veterans.

5 (2) GEOGRAPHIC DISTRIBUTION.—The Assist-
6 ant Secretary for Rural Veterans shall ensure that
7 the demonstration projects authorized under para-
8 graph (1) are located at facilities that are geographi-
9 cally distributed throughout the United States.

10 (3) REPORT.—Not later than two years after
11 the date of enactment of this Act, the Assistant Sec-
12 retary for Rural Veterans shall submit a report on
13 the results of the demonstration projects conducted
14 under paragraph (1) to—

15 (A) the Committee on Veterans Affairs of
16 the Senate;

17 (B) the Committee on Appropriations of
18 the Senate;

19 (C) the Committee on Veterans Affairs of
20 the House of Representatives; and

21 (D) the Committee on Appropriations of
22 the House of Representatives.

23 (b) POLICY REVISIONS.—Not later than one year
24 after the date of enactment of this Act, the Assistant Sec-
25 retary for Rural Veterans shall—

1 (1) reevaluate directives 5005 and 5007 of the
2 Department of Veterans Affairs and other guidance
3 and procedures related to the use of fee basis care
4 nationwide; and

5 (2) revise established policies to—

6 (A) provide stronger guidance to units of
7 the Department of Veterans Affairs; and

8 (B) strengthen the use of fee basis care to
9 extend health care services to rural and remote
10 rural areas.

11 (c) REPORTS TO CONGRESS.—The Secretary of Vet-
12 erans Affairs shall submit to Congress, in conjunction with
13 the documents submitted in support of the President’s
14 budget for each fiscal year, an assessment of the imple-
15 mentation during the most recently completed fiscal year
16 of the provisions of this Act and the amendments made
17 by this Act.

18 **SEC. 4. PILOT PROGRAM ON ENHANCED ACCESS TO**
19 **HEALTH CARE FOR VETERANS IN HIGHLY**
20 **RURAL AND GEOGRAPHICALLY REMOTE**
21 **AREAS.**

22 (a) PILOT PROGRAM.—

23 (1) IN GENERAL.—The Secretary of Veterans
24 Affairs shall conduct a pilot program to evaluate the
25 feasability and advisability of utilizing various means

1 to improve the access of veterans who reside in high-
2 ly rural or geographically remote areas to health
3 care services referred to in subsection (d).

4 (2) PROVISION OF SERVICES UNDER PILOT
5 PROGRAM.—In conducting the pilot program, the
6 Secretary shall provide health care services referred
7 to in subsection (d) to eligible veterans who reside
8 in highly rural or geographically remote areas in the
9 geographic service regions selected for purposes of
10 the pilot program utilizing the contract authority of
11 the Secretary under section 1703 of title 38, United
12 States Code, and such other authorities available to
13 the Secretary as the Secretary considers appropriate
14 for purposes of the pilot program.

15 (b) ELIGIBLE VETERANS.—A veteran is an eligible
16 veteran for purposes of this section if the veteran—

17 (1) has a service-connected disability; or

18 (2) is enrolled in the veterans health care sys-
19 tem under section 1705 of title 38, United States
20 Code.

21 (c) HIGHLY RURAL OR GEOGRAPHICALLY REMOTE
22 AREAS.—An eligible veteran resides in a highly rural or
23 geographically remote area for purposes of this section if
24 the veteran—

1 (1) resides in a location that is more than 60
2 miles driving distance from the nearest Department
3 of Veterans Affairs health care facility; or

4 (2) in the case of an eligible veteran who re-
5 sides in a location that is less than 60 miles driving
6 distance from such a facility, experiences such hard-
7 ship or other difficulties (as determined pursuant to
8 regulations prescribed by the Secretary for purposes
9 of this section) in travel to the nearest Department
10 of Veterans Affairs health care facility that such
11 travel is not in the best interests of the veteran.

12 (d) HEALTH CARE SERVICES.—The health care serv-
13 ices referred to in this section are—

14 (1) acute or chronic symptom management;

15 (2) nontherapeutic medical services; and

16 (3) any other medical services jointly deter-
17 mined appropriate for an eligible veteran for pur-
18 poses of this section by the physician of the depart-
19 ment responsible for primary care of such eligible
20 veteran and the director of the Veterans Integrated
21 Service Network concerned.

22 (e) AREAS FOR CONDUCT OF PILOT PROGRAM.—

23 (1) IN GENERAL.—The pilot program shall be
24 conducted in 3 of the geographic service regions of
25 the Veterans Health Administration (referred to as

1 Veterans Integrated Service Networks) selected by
2 the Secretary for purposes of the pilot program.

3 (2) SELECTION.—In selecting geographic serv-
4 ice regions for the purposes of the pilot program, the
5 Secretary, based on the recommendations of the As-
6 sistant Secretary for Rural Veterans, shall select
7 from among the Veterans Integrated Service Net-
8 works that have a substantial population of veterans
9 who reside in highly rural or geographically remote
10 areas.

11 (f) PERIOD OF PILOT PROGRAM.—The pilot program
12 shall be conducted during fiscal years 2007, 2008, and
13 2009.

14 (g) FUNDING FOR PILOT PROGRAM.—

15 (1) IN GENERAL.—For each fiscal year during
16 which the pilot program is conducted, the Secretary
17 shall allocate for the pilot program an amount equal
18 to 0.9 percent of the total amount appropriated for
19 such fiscal year for medical services.

20 (2) TIMING OF ALLOCATION.—The allocation
21 under paragraph (1) for a fiscal year shall be made
22 before any other allocation of funds for medical care
23 is made for such fiscal year, and any remaining allo-
24 cation of funds for medical care for such fiscal year

1 shall be made without regard to the allocation under
 2 subsection (a) in such fiscal year.

3 (h) REPORT TO CONGRESS.—Not later than Feb-
 4 ruary 1, 2009, the Secretary shall submit to Congress a
 5 report on the pilot program. The Secretary shall include
 6 in the report such recommendations as the Secretary con-
 7 siders appropriate concerning extension of the pilot pro-
 8 gram or other means to improve the access of veterans
 9 who reside in highly rural or geographically remote areas
 10 to health care services referred to in subsection (d).

11 **SEC. 5. TRAVEL REIMBURSEMENT FOR VETERANS RECEIV-**
 12 **ING TREATMENT AT FACILITIES OF THE DE-**
 13 **PARTMENT OF VETERANS AFFAIRS.**

14 Section 111 of title 38, United States Code, is
 15 amended—

16 (1) in subsection (a)—

17 (A) by striking “subsistence),” and insert-
 18 ing “subsistence at a rate equivalent to the rate
 19 provided to Federal employees under section
 20 5702 of title 5),”; and

21 (B) by striking “traveled,” and inserting
 22 “(at a rate equivalent to the rate provided to
 23 Federal employees under section 5704 of title
 24 5),”;

25 (2) by striking subsection (g); and

1 (3) by redesignating subsection (h) as sub-
2 section (g).

3 **SEC. 6. CENTERS FOR RURAL HEALTH RESEARCH, EDU-**
4 **CATION, AND CLINICAL ACTIVITIES.**

5 (a) IN GENERAL.—Subchapter II of chapter 73 of
6 title 38, United States Code, is amended by adding at the
7 end the following new section:

8 **“§ 7329. Centers for rural health research, education,**
9 **and clinical activities**

10 “(a) ESTABLISHMENT OF CENTERS.—The Assistant
11 Secretary for Rural Veterans shall establish and operate
12 not less than one and not more than five centers of excel-
13 lence for rural health research, education, and clinical ac-
14 tivities, which shall—

15 “(1) conduct research on rural health services;

16 “(2) allow the Department to use specific mod-
17 els for furnishing services to treat rural veterans;

18 “(3) provide education and training for health
19 care professionals of the Department; and

20 “(4) develop and implement innovative clinical
21 activities and systems of care for the Department.

22 “(b) GEOGRAPHIC DISPERSION.—The Assistant Sec-
23 retary for Rural Veterans shall ensure that the centers
24 authorized under paragraph (1) are located at health care

1 facilities that are geographically dispersed throughout the
2 United States.

3 “(c) SELECTION CRITERIA.—The Assistant Secretary
4 for Rural Veterans may not designate a health care facility
5 as a location for a center under this section unless—

6 “(1) the peer review panel established under
7 subsection (d) determines that the proposal sub-
8 mitted by such facility meets the highest competitive
9 standards of scientific and clinical merit; and

10 “(2) the Assistant Secretary for Rural Veterans
11 determines that the facility has, or may reasonably
12 be anticipated to develop—

13 “(A) an arrangement with an accredited
14 medical school to provide residents with edu-
15 cation and training in care for rural veterans;

16 “(B) the ability to attract the participation
17 of scientists who are capable of ingenuity and
18 creativity in health care research efforts;

19 “(C) a policymaking advisory committee,
20 composed of appropriate health care and re-
21 search representatives of the facility and of the
22 affiliated school or schools, to advise the direc-
23 tors of such facility and such center on policy
24 matters pertaining to the activities of such cen-

1 ter during the period of the operation of such
2 center; and

3 “(D) the capability to effectively conduct
4 evaluations of the activities of such center.

5 “(d) PANEL TO EVALUATE PROPOSALS.—(1) The
6 Assistant Secretary for Rural Veterans shall establish a
7 panel to—

8 “(A) evaluate the scientific and clinical merit of
9 proposals submitted to establish centers under this
10 section; and

11 “(B) provide advice to the Assistant Secretary
12 for Rural Veterans regarding the implementation of
13 this section.

14 “(2) The panel shall review each proposal received
15 from the Assistant Secretary for Rural Veterans and shall
16 submit its views on the relative scientific and clinical merit
17 of each such proposal to the Assistant Secretary.

18 “(3) The panel established under paragraph (1) shall
19 be comprised of experts in the fields of public health re-
20 search, education, and clinical care.

21 “(4) Members of the panel shall serve as consultants
22 to the Department for a period not to exceed two years.

23 “(5) The panel shall not be subject to the Federal
24 Advisory Committee Act.

1 “(e) FUNDING.—(1) There are authorized to be ap-
 2 propriated such sums as may be necessary for the support
 3 of the research and education activities of the centers es-
 4 tablished pursuant to subsection (a).

5 “(2) The Assistant Secretary for Rural Veterans shall
 6 allocate such amounts as the Under Secretary for Health
 7 determines to be appropriate to the centers established
 8 pursuant to subsection (a) from funds appropriated for
 9 the Medical Care Account and the Medical and Prosthetics
 10 Research Account.

11 “(3) Activities of clinical and scientific investigation
 12 at each center established under subsection (a)—

13 “(A) shall be eligible to compete for the award
 14 of funding from funds appropriated for the Medical
 15 and Prosthetics Research Account; and

16 “(B) shall receive priority in the award of fund-
 17 ing from such account to the extent that funds are
 18 awarded to projects for research in the care of rural
 19 veterans.”.

20 (b) CLERICAL AMENDMENT.—The table of sections
 21 at the beginning of chapter 73 of title 38, United States
 22 Code, is amended by inserting after the item relating to
 23 section 7328 the following new item:

“7329. Centers for rural health research, education, and clinical activities.”.

